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November 30, 1981

Mr. Harry Marshall
Principal Deputy Assistant Secretary
for Oceans Environmental &
Scientific Affairs
Room 7831
U.S. Department of State
Washington, D.C. 20520

Dear Mr. Marshall:

Enclosed, for your information, is a copy of a letter which the Commission sent to appropriate Congressional committees regarding IAEA safeguards.

Sincerely,

Original signed by
James R. Shea

James R. Shea, Director
Office of International Programs

Enclosure:
Letter dtd 11/27/81 to Hon. Larry
Pressler from Chrm Palladino

cc w/encl:
Richard Kennedy
Undersecretary for Management
U.S. Department of State
Washington, D.C. 20520

bcc w/encl:	
JBoright, State	Chrm Palladino
HBengelsdorf, DOE	Com. Gilinsky
NTerrell, ACDA	Com. Bradford
WJDircks, EDO	Com. Ahearne
SJChilk, SECY	Com. Roberts
CKammerer, OCA	L. Bickwit, OGC
JDavis, NMSS	F. Remick, OPE
JBecker, ELD	
JBDevine, IP	
CKessler, IP	

OFFICE	IP:DIR						
SURNAME	JRShea:jjb						
DATE	11/30/81						



WASHINGTON, D. C. 20540

November 27, 1981

CHAIRMAN

The Honorable Larry Pressler, Chairman
Subcommittee on Arms Control, Oceans
and International Environment
Committee on Foreign Relations
U. S. Senate
Washington, D.C. 20510

Dear Mr. Chairman:

Over the past several years, Commissioners have expressed concern to the Congress regarding the adequacy of International Atomic Energy Agency (IAEA) safeguards. The Commission has noted that the NRC has had little or no safeguards information in making its export determinations under the Nuclear Nonproliferation Act.

In keeping with our responsibility to keep Congress fully and currently informed, we are writing to update our assessment of IAEA safeguards. The NRC is concerned that the IAEA safeguards system would not detect a diversion in at least some types of facilities. In addition, we are not confident that the member states would be notified of a diversion in a timely fashion. We are also communicating our concerns to the Executive Branch in the interests of helping to bring about improvements in IAEA safeguards.

We are reviewing our responsibilities under the Atomic Energy Act of 1954, as amended, for the licensing of nuclear exports in the light of these concerns and will inform you of our conclusions.

Sincerely,

Nunzio J. Palladino
Nunzio J. Palladino

cc: Senator Alan Cranston

Identical Letters sent to: Rep. Udall, cc: Lujan; Rep. Ottinger, cc: Moorhead;
Rep. Moffit, cc: Deckard; Rep. Zablocki, cc: Broomfield; Sen. Percy, cc: Glenn; Sen. Simpson,
cc: Hart